

ORDINANCE NO. 1951

**AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, AMENDING
MILWAUKIE MUNICIPAL CODE SECTION 5.08.030 TO CLARIFY THE CITY'S
BUSINESS TAX.**

WHEREAS, the City Council has previously imposed a business tax on businesses operating within the City;

WHEREAS, the Council wishes to include more specificity in the Code regarding the business tax without changing the basic approach or tax rates;

NOW, THEREFORE, THE CITY OF MILWAUKIE DOES ORDAIN AS FOLLOWS:

SECTION 1. Milwaukie Municipal Code Section 5.08.030 is amended to read:

A. No person shall maintain, operate, engage in, conduct, or carry on any business within the city without first having paid the business tax as established by this chapter.

B. The business tax rate is as follows:

Base Rates:

Standard rate (applicable unless exempt or otherwise specified)	\$100
Rate for taxpayers with gross income less than \$10,000.....	\$40
First year rate for businesses starting after July 1.....	\$50
Temporary business (2 weeks or less).....	\$25

Additional Rate:

Additional amount for each FTE..... \$3

C. As used in Section B, "FTE" means "full-time equivalent employee." Each business taxpayer must pay the FTE amount in addition to the applicable base rate. For example, a taxpayer with 10 full-time employees and two half-time employees has 11 FTEs and would pay \$33 per year, in addition to the base rate. The number of FTEs for which payment is required is based on the number of full-time equivalent employees as of January 1 for full-year taxpayers, and on the first day of business for other taxpayers. No additional

payments or refunds are applied for changes in the number of employees during the tax year.

- D. A penalty of 10 percent of the base fee shall be paid for each calendar month or fraction thereof in, which the tax is due and unpaid.

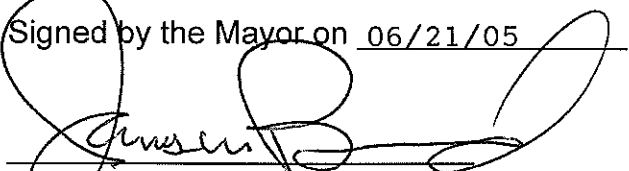
SECTION 2: Milwaukie Municipal Code Section 5.08.050 is amended to read:

- A. The tax year is from January 1 to December 31.
- B. The business tax shall be paid annually in advance of the business tax year. For businesses starting after January 1 of any year, the business tax must be paid within one month of commencing business.
- C. Businesses shall be liable for the tax from the date they commence doing business within the city and not from the date of the tax is paid or the tax form submitted.

Read for the first time on June 21, 2005 and moved to a second reading by unanimous vote of the City Council.

Read for the second time and adopted by the City Council on June 21, 2005.

Signed by the Mayor on 06/21/05.




James Bernard, Mayor

ATTEST:

Pat DuVal
Pat DuVal, City Recorder

APPROVED AS TO FORM
Ramis Crew Corrigan LLP



City Attorney